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Amalfi Investments, L.L.C.
1002 Tower Building
1809 Seventh Avenue
Seattle, Washington 98101

Via Certified Mail Return Receipt Requested and E-Mail

August 22, 2008

City of Tukwila
Department of Community Development
6300 Southcenter Blvd.
Suite 100
Tukwila, WA 98188

Attn: Jack Pace
Carol Lumb

Amalfi Investments is the owner of the property located at 11231 E. Marginal Way South. The property is an approximate 6.7-acre industrially zoned parcel developed with a truck terminal that is under lease to UPS Freight. The property borders the Duwamish River and is subject to City's Shoreline Management Plan. It is also adjacent to the proposed Duwamish Gardens salmon habitat restoration project.

The purpose of this letter is to express our company's fierce opposition to (1) the adoption of the Shoreline Management Plan as currently drafted, and (2) the development of the proposed Duwamish Gardens salmon habitat restoration project.

Duwamish Gardens

The City is currently under contract to purchase an approximate two-acre parcel adjacent to our property for the development of the Duwamish Gardens salmon habitat restoration project. As part of this project, the City intends to widen the river and relocate the ordinary high water mark approximately 200 feet closer to our property. As a result, a vast swath of our property that is currently outside the 200-foot shoreline or partially within it will become undevelopable or severely restricted. It is possible that because of the significant loss of land, our entire property could be rendered non-viable for future redevelopment. The damage to our property if the project is developed will be in the millions of dollars.

The draft SMP includes a provision that potentially provides some relief for properties adjacent to restoration projects, however there is no assurance that this provision will be approved by the DOE and included in the final SMP. In fact, we were recently informed that the DOE expressed opposition to the inclusion of the provision. Even if the provision were included in the final SMP, much of our property would still be pushed into the shoreline area as determined by the State and could be subject to restrictions on development in the future.

EXHIBIT 3 DATE 8/22/08
PROJECT NAME SMP update
FILE NO 106-088

We have been expressing our concerns over the Duwamish Gardens project to the City since early 2007. For more than a year, Amalfi Investments negotiated with the City and with King County on a land swap that would have lessened the adverse impact to its property. The former mayor and the City council were aware of and supported this effort. The result of this collaboration was a proposed land swap agreement that would have provided for a superior restoration project affecting an additional 200 feet of Duwamish riverbank and less impact to Amalfi's property. The revised restoration project would have been accomplished for the same or less cost than the original project. It was a clear win-win solution, but the City mysteriously and with no explanation elected to abandon the redesigned restoration project and proceed with the original one.

Draft SMP

We have numerous objections to the Draft SMP, both in terms of its content and the approval process.

To begin with, Amalfi Investments never received notice. After learning of the City's actions from a neighboring property owner, we contacted the City (Carol Lumb) to inquire about the notice. The City confirmed that it had our correct address and informed us that it would send us a notice. To date, we still have not received it. Furthermore, the time between the (alleged) notice and the public hearing is inadequate. The Draft SMP is well over 100 pages and is a very complex document. It is not within the grasp of the layperson and we intend to have it reviewed by a land use professional. This cannot be accomplished in a week.

The City has been working on the SMP for well over a year. The first draft was submitted to the DOE in July 2007. Why was the public not invited to participate at the outset? There should have been a property owners' advisory group involved from the very beginning. The proposed changes have significant and costly impacts on property owners and they should be given a voice in the process. The City has until December 2009 to adopt the SMP and it is reckless and unlawful to attempt to rush it through without adequate public participation.

While we have not had time to fully evaluate the Draft SMP, we have already identified provisions that are objectionable. The proposed "no touch" buffer for our property will be increased from 50 to 100 feet. There is no reason offered for the increased buffer width. If the buffers are being widened for habitat enhancement, then it is not the responsibility of the property owner to bear the cost. It is a benefit for the public at large and the property owner must be compensated for the loss of his land.

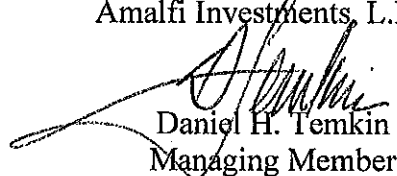
In addition to the widened "no touch" buffer, there are numerous other provisions that will diminish the value of our property, render it non-conforming, and/or impose significant cost burdens. Again, we have not had sufficient time to consider the full impact of these provisions, but amongst them are (i) height limits that are less than provided for in the underlying zoning regulations, (ii) costs associated with replacement of landscaping, (iii) requirements to provide public access and amenities. It's our understanding that our property would be forced to comply with the new standards if it ever became vacant for two years or if we elected to make

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improvements valued at more than 50% of the existing value of the improvements. Our property is developed with a truck terminal and we might not be able to comply with the proposed parking lot and loading area requirements if we ever chose to remodel or expand our building, or if it ever became vacant for more than two years.

We request that the City halt the current review process in order to allow for meaningful participation. As part of the process, the City should form a property owners' advisory group that would participate in the drafting of a new Draft SMP and conduct regular information meetings for stakeholders.

Sincerely,
Amalfi Investments, L.L.C.



Daniel H. Temkin
Managing Member

DHT/mac
Enclosures